**Section 160.100 Extensions – Renewals – Rebates**

a) The obligor may prepay in full by cash, extension, renewal or otherwise at any time before maturity and shall be entitled to a refund in accordance with Section 7 of the Motor Vehicle Retail Installment Sales Act [815 ILCS 375] or in accordance with Section 7 of the Retail Installment Sales Act [815 ILCS 405], whichever is applicable.

b) The holder of the contract may, if the obligor requests, renew or extend the maturity date of all or part of the contract for which the licensee may charge and collect a refinance charge in accordance with Section 20 of the Retail Installment Sales Act or Section 19 of the Motor Vehicle Retail Installment Sales Act, whichever is applicable.

c) If the contract provides for precomputed interest, a deferment charge may be calculated as the difference between the rebate that would be required for prepayment in full as of the scheduled due date of the deferred installment and the rebate which would be required for prepayment in full as of one month prior to said date.

d) If the contract provides for precomputed interest, any required rebate of finance charge may be calculated using the actuarial method, defined by the federal Truth in Lending Act (15 U.S.C. 1601 et seq.) and Regulation Z, Appendix J (12 CFR 226) or any other method permitted by applicable State law. The rebate for prepayment in full after extension charges have been levied must be larger than the rebate which otherwise would be required. For the purpose of computing rebates, the number of elapsed months must be reduced by one month for each month for which an extension charge has been collected; and the number of months of prepayment must be increased by one month for each month for which an extension charge has been collected.

e) The licensee may not charge an acquisition cost in computing rebates on prepayment in full following extension or renewal if such cost was included as an item in arriving at the net balance to be extended or renewed when the account was at any prior time renewed or extended.

f) When a contract is prepaid in full, the obligor shall be advised as to the amount of the rebate of finance charge and unearned insurance premiums.

(Source: Amended at 47 Ill. Reg. 9324, effective June 20, 2023)